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BELLSOUTH

Cynthia K. Cox Executive Director-Federal and State Relations Suite 900 1133-21st Street, N.W. Washington, D.C. 20036-3351 202 463-4104 Fax: 202 463-4196

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MAR 4 1999

March 4, 1999

PEDERAL GOADMINICATIONS COMMISSION
OFFICE OF THE SECRETARY

Ms. Magalie Roman Salas Secretary Federal Communications Commission The Portals, 445 Twelfth Street, S.W. Washington, D.C. 20554

Re: CC Docket 98-170, Truth in Billing and Billing Format

Dear Ms. Salas:

On March 3, 1999 Ms. Stephanie Landry, Mr. Ike Byrd and the undersigned met with Ms. Dorothy Attwood, Ms. Anita Cheng, Mr. Warren Firschein, Mr. David Konuch and Mr. Terrence Reideler of the Common Carrier Bureau to discuss BellSouth's positions in the above mentioned docket. The attached summarizes the discussion.

In accordance with Commission rules, the original of this response and one copy are being filed with your office. Acknowledgment and date of receipt are requested. Please call the undersigned with any questions.

Sincerely,

Cynthu K. Cax
Cynthia K. Cox

cc: Ms. Dorothy Attwood (w/o attachment)

Ms. Anita Cheng (w/o attachment)

Mr. Warren Firschein (w/o attachment)

Mr. David Konuch (w/o attachment)

Mr. Terrence Reideler (w/o attachment)

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LEGISLATIVE SCHEDULE UPDATE

courtesy of: REP. BART GORDON

TO: BellSouth/Cindy Cox

FAX: 463-4194

DATE: 03 / 04 / 99

2368 RAYBURN HOUSE OFFICE BLDG. WASHINGTON, DC 20515 fax (202)225-6887 (202) 225-4231

LEGISLATIVE SCHEDULE UPDATE

CONGRESSMAN BART GORDON

2368 Rayburn Building Washington, DC 20515 fax 202-225-6887 phone 202-225-4231

House meets at 10:00 am

15 one minutes per side

HR 707 - Disaster Mitigation & Cost Reduction Act (subject to a rule)

H.Con.Res. 40 - Expressing The Condolences Of The Congress On The Death Of The Honorable Morris K. Udall (subject to a rule)

Last vote expected by 1 pm.

VIA FAX

TO: BELL SOUTH

FROM: Attention: Fax from Telecom Group Janney Montgomery Scott, Inc. Anna-Maria Kovacs/Gregory Vitale

ATTN:

TO: FAX PHONE#: 2024634196

Job Number: 78685160-007-18-0008

TIME: Thu Mar 04 10: 37: 29 1999

2 pages including cover sheet

03/04/99 09:37:36 Via Fax

JANNEY MONTGOMERY SCOTT

March 4, 1999

Anna-Maria Kovacs, Ph.D. Gregory S. Vitale Thomas Tenerelli (617) 227-1514

Comcast Corporation (CMCSK*#-\$68)

Rating: BUY

Splits its stock 2-for-1 and eliminates cash dividend

12/98A 12/99E 12/00E

EBITDA Per Share Estimates: (Recurring, Diluted)

\$3.73 \$4.06 \$4.55

Comcast announced yesterday that its Board has approved a 2-for-1 stock split payable on May 5 to shareholders of record as of April 20. The Board has also approved the elimination of the company's quarterly cash dividend of \$0.0233 per share, which is to take effect after the next payment scheduled for March 25 to shareholders of record as of March 4. This is not a significant event. Comcast's dividend payment has essentially been a nominal one, and its elimination should generate annual savings in the range of \$30 million. Because Comcast is family-controlled, shareholder approval is assured. Neither event affects any of our estimates, and thus we are maintaining our BUY rating for the stock with a pre-split price target of \$80.

*JMS makes a market in the stock or may act as principal in buying the stock from or selling it to customers.

#The Analyst covering this stock or a department supervisor has an investment position.

This information is sent to you for informative purposes only and in no event should be construed as a representation by us or as an offer to sell or solicitation of an offer to buy any securities. The factual information given is taken from sources we believe to be reliable, but is not guaranteed by us as to accuracy or completeness. The opinions expressed should be given only such weight as opinions warrant. This firm and/or its officers and/or members of their families may have a position in the securities mentioned and may make purchase and/or sales of such securities from time to time in the open market or otherwise. Additional information relative to the subjects discussed is available in our offices.

Telecommunications Billing

Bill Redesign - A Recognized Need

- A new bill to be introduced incorporating input from our customers.
- Overall objective: Simplify and clarify.

 Customers have clearly stated that the current bill is too long and complicated.
- Phase 1 Bill Redesign to be introduced Dec. '99

Features of the New BellSouth Bill

- Larger paper; cleaner, less cluttered format
- First page service provider summary
- Reorganization of other charges and credits information
- Seeking a consistent format in all states for our customers.

Changes Being Implemented in Current Bill Format

- First page notification of change in either long distance or local toll service provider.
- Improved service descriptions for miscellaneous third party charges.

BellSouth's Positions on the Following NPRM Proposals

Prescribed Formatting
Current Service Status Summary
Change in Service Summary
Other Service Provider Billing
Bill Organization
Non-deniable Charges

Applicability to CMRS

Flexible Guidelines Versus Prescribed Format Rules

• Conflicting state requirements currently drive up cost and customer confusion and create difficulty in combining billing across states. Another level of rules would exacerbate the problem.

Arguments for flexibility in FCC guidelines:

- Customers desire flexible formatting and sorting options.
- LECs have different billing capabilities.
- Billing is a competitive differentiator and should not be prescribed.

Current Service Status Summary

Issues:

- Lengthening bill runs counter to customer's expressed desire for shorter, simpler bills.
- Itemizations of service plans and features is valuable periodically (first bill, with any change, annually) but monthly is overkill.
- Potentially confusing to recap the billing in two sections. Clear, complete service descriptions offer a better alternative.

Current Service Status Summary (cont.)

- Would require massive changes to the billing system:
 - to accommodate creation of this separate bill section.
 - to allow the third party billers to send information for the LEC to include in a current status summary section.

Change in Service Summary

• More useful to distinguish changes in *service* provider and associated level of billing

Issues:

- Concerned about adding length and complexity to the bill
- Would require massive changes to the billing systems

Other Service Provider Billing

Recommendations:

- Display billing from other service providers/clearinghouses on separate pages
- Toll free number provided for customer inquiry for each service provider.

Other Service Provider Billing (cont.)

Concerns:

- Inclusion of a direct number to the service provider itself is confusing and potentially negates service provider contract provisions for customer care.
- Inclusion of billing address adds only minimal value to the end user and lengthens and clutters the bill.

Bill Organization

Bill Organization should not be prescribed

- Frequently a matter of customer preference
 - Consumers demand formatting flexibility in on-line presentation.
 - Desire to track reimbursable expenses, tax deductions, expenses by household member, etc
 - Many business customers already receive their billing data electronically so that they can reorganize and manipulate it to suit their needs.

Bill Organization (cont.)

• Packages of services, which offer end user customers the opportunity to leverage their purchases and receive better pricing, are becoming commonplace. These packages span types of service as well as service providers. They are most clearly presented on the bill in a single place, described as the package offer presented to the customer at the point of sale.

Non-deniable Charges

- Recommend identifying non-deniable charges with an asterisk and footnote.
- Recommend not displaying these on a separate page.
 - Lengthens bill
 - Confuses customers particularly if one element of a package is a non-deniable type charge

Applicability to CMRS?

No....

- The CMRS industry has not experienced the billing problems listed in the NPRM
- Congress has excluded wireless service from its proposed legislation regarding billing format and practices.
- Market forces are a much more effective deterrent to poor billing practices for the wireless industry than rulemaking

Applicability to CMRS? (cont.)

- Unlike wireline, many wireless customers are covered by contracts which spell out the pricing and service options chosen by the customer.
- Deniable/non-deniable are not applicable to CMRS.
- BellSouth's wireless companies offer billing options that include differing levels of billing detail as needed by the customer.

Desired Outcome

- Simplified billing that reduces customer confusion and incoming inquiry calls.
- Consistent format within our region
- Flexible bill formatting options to meet our individual customers' needs.
- Ability to use the bill to convey relevant information about our business to our customers.